Overtime and Compensatory Time

Original Implementation: Unpublished
Last Revision: January 26, 2016

This policy does not apply to faculty.

Non-Exempt Employees:

A non-exempt employee who works in excess of 40 hours in a workweek is entitled to compensation for the excess hours through one of the following methods:

1. The employee should be allowed (or required) to take compensatory time off within twelve (12) months following the end of the workweek in which the overtime occurred at the rate of 1-1/2 hours off for each hour of overtime. Time that is to be taken is at the discretion of the supervisor and must be authorized in advance.

2. When granting compensatory time off is impractical, the employee receives pay for the overtime at the rate of 1-1/2 times the employee's regular rate of pay. Payment must be made for all overtime in excess of 240 hours, which is 160 straight time hours.

Any paid leave or holidays taken are not counted as hours worked in determining overtime hours under the preceding paragraph. In situations in which the employee has not worked more than 40 hours in a workweek but the total hours worked and hours of paid leave or paid holidays exceeds 40 hours, the employee shall be allowed equivalent compensatory time off for the excess hours. The compensatory time must be taken during the 12-month period following the end of the workweek in which the compensatory time was accrued or it lapses. Compensatory time under this paragraph may not be carried forward past the end of the 12-month period and only in specially approved instances may an employee, whose compensatory time off would be disruptive to normal teaching, research or other critical function, be paid for the unused time.

With authorization of the president or the president’s designee, an employee may be paid for the hours of compensatory time the employee earns for work directly related to a disaster or emergency declared by the appropriate officer of the state or federal government.

Non-exempt part-time employees must be paid for hours worked over their designated hours; they may not accrue compensatory time. Exceptions to the workweek overtime calculation for University Police Department law enforcement officers shall be made in accordance with the Fair Labor Standards Act (FLSA).
To receive overtime pay:

1. Semi-monthly and monthly paid non-exempt employees record all time worked in the approved timekeeping system. The system calculates overtime based on the rules established in this policy.

2. Non-exempt employees must obtain approval from their appropriate vice president to receive overtime pay in lieu of compensatory time off. If the employee is to be paid for overtime, the employee's name, CID, and dates worked as overtime are to be recorded on the Time Record (http://www.sfasu.edu/documents/time-record.pdf) and submitted to the payroll office. If the overtime is to be paid from a funding source different from the employee’s regular task code, the department head must approve and submit a Time Record to the appropriate vice president for signature, then route to the payroll office for payment.

Non-exempt employees (or their estate) must be paid for any unused accumulated compensatory time at the time of separation from employment or when transferring to an exempt classification.

Exempt Employees:

An exempt employee is not subject to the overtime provisions of the FLSA and may be allowed compensatory time off for hours in excess of 40 hours in a work week in which the combination of hours worked, paid leave, and holidays exceeds a total of 40 hours. Each department is responsible for submitting the Comp Time Earned Record (found on the SFA Business Forms website) for all exempt employees in the department. The form must contain the employee’s name, CID, total comp time hours earned for the month and the signature of each employee. The department head must sign the report and then route to the payroll office for processing. Forms must be submitted by the due date established by the payroll office. If time is not submitted by the due date, no compensatory time will be reported as earned during that pay period.

An exempt employee, may be allowed compensatory time off during the 12-month period following the end of the workweek in which the overtime was accrued, at a rate not to exceed equivalent time, but limited to 80 hours during any one fiscal year. Earned compensatory time not used within 12 months will expire. An exempt employee will not be paid for any unused compensatory time earned in this manner. It is the department head’s responsibility to ensure that no more than 80 hours of compensatory time is taken in a fiscal year for each exempt employee. If an employee reports more than 80 hours of compensatory time used, the payroll office will adjust the leave to report it as vacation time used.

With authorization of the president or the president’s designee, an employee may be paid for the hours of compensatory time the employee earns for work directly related to a disaster or emergency declared by the appropriate officer of the state or federal government.
Part-time exempt employees may accrue compensatory time when the number of hours worked plus holiday or other paid leave taken during that week exceeds the number of hours that the employee was designated to work.

Time that is to be taken is at the discretion of the supervisor and must be authorized in advance on either the Request for Vacation, Compensatory Time, Sick Leave Taken form, by requesting the leave electronically through the system leave request form, or by requesting the leave in a manner established and documented by the department head.

All Employees:

Except as otherwise provided by law no employee may accrue compensatory time for work performed at any location other than the employee's regular place of employment or duty point. An employee may accumulate compensatory time off for hours worked during any calendar week at the employee’s personal residence if approved in advance by the president or president’s designee.

If an employee submits a written request to use accrued compensatory time not later than the 90th day before the date on which the accrued compensatory time will lapse, the department head must approve in writing the employee’s request or provide the employee with an alternate date on which the employee may use the compensatory time. The department head should make an effort to accommodate the employee’s use of the accrued compensatory time before it lapses.

Specific instruction on how to report and approve time and leave are available on the controller’s website at http://www.sfasu.edu/controller/payroll/index.asp.


Responsible for Implementation: Vice President for Finance and Administration

Contact for Revision: Director of Human Resources

Forms: Request for Vacation, Compensatory Time, Sick Leave Taken (available from Human Resources); Comp Time Earned Exempt Employees Only; (available on the SFA Business Forms website)

Board Committee Assignment: Academic and Student Affairs